



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

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Affected IRM(s): 5.1.10, 5.16.1 & 1.4.50

MEMORANDUM FOR DIRECTOR, FIELD COLLECTION

FROM: Thomas Kramer
Director, Collection Policy **Thomas D. Kramer**
Digitally signed by Thomas D. Kramer
Date: 2025.10.02 12:56:38 -07'00'

SUBJECT: Interim Guidance for Revenue Officers regarding Changes to Research Requirements for Taxpayers with a Passport Indicator

This memorandum issues guidance on changes to research requirements for SB/SE Field Collection employees when Passport research is required. The guidance outlined in this memorandum will remain in effect until updates are made to the following impacted Internal Revenue Manuals (IRMs) Exhibit 1.4.50-2, 5.1.10.2(1), 5.1.10.3.2(4), and 5.16.1.2.1(6).

Please ensure this information is distributed to all impacted employees within your organization.

Purpose: The purpose of this memorandum is to inform Field Collection employees of procedural changes concerning requirements when working cases involving delinquent taxpayers with a valid passport and a passport indicator. Passport research should be conducted within the Collection function in balance due investigations which meet the prescribed threshold.

Conducting this research early in the investigation enables employees to make appropriate collection decisions during initial contact and through case resolution.

Background: IRC 7345, Revocation or Denial of Passport in Case of Certain Tax Delinquencies, was created by the FAST Act and signed into law December 4, 2015. The IRS may recommend to the U.S. Department of State that it revoke the passport of a taxpayer that has been certified as seriously delinquent under IRC 7345.

Procedural Change: See Attachment 1 for procedural changes (highlighted in **bold**).

Effect on Other Documents: This guidance will be incorporated into the next revision of IRM 1.4.50, Collection Group Manager, Field Compliance Manager and Area Director Operational Aid, IRM 5.1.10, Taxpayer Contacts, and IRM 5.16.1, Currently Not Collectible, no later than 10-02-2027.

Effective Date: This guidance is effective October 02, 2025

Contact: If you have any questions regarding the guidance in this memorandum, you may contact Case Resolution Alternatives Program Manager, Eric Slayback, or a member of your staff may contact Collection Policy Program Analysts, Frantesha Burlingame, Frances Quintero, Joseph Monsour, and Joanne Laybourn.

Distribution:

Director, Collection

Director, Headquarters Collection

Director, Field Collection

Director, Quality and Technical Support

Taxpayer Advocate Service

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Attachment 1, Interim Guidance SBSE-05-1025-0062

Exhibit 1.4.50-2, Criteria for Review of Completed Work

If	Then
Unable to Contact-Unable to Locate for accounts where the UBA exceeds the amount in IRM 5.16.1.2.1(6)	Confirm the following additional investigative actions were performed: a. Courthouse records check, on-line or in person for real property ownership. b. Motor vehicle records or Accurint (if motor vehicle records are available in the state where the taxpayer is located) c. FACTA records check. d. Request passport revocation.

Attachment 1, Interim Guidance SBSE-05-1025-0062 (Cont'd)

IRM 5.1.10.2(1), Pre-Contact

(1) Upon receipt of a new case, conduct an initial analysis by:

- Reviewing IDRS, the Integrated Collection System (ICS), and Account Management Services (AMS) as appropriate. Identify and document any account conditions that need to be addressed such as any unresolved requests for an installment agreement, Collection Due Process, **passport indicators and need to discuss passport certification with the taxpayer**, or unresolved claims for refund or other adjustments.
- Reviewing the prior case history including any current and archive ICS history and the AMS history. Note actions already taken on cases by previously assigned revenue officers or the Automated Collection System (ACS) call sites.
- Creating ICS modules for balance due periods in notice status and inputting a STAUP via IDRS, as appropriate. Only create ICS modules for delinquent returns if you know a return should be filed. This filing requirement may not be apparent until after initial contact.
- Reviewing Notice of Federal Tax Lien (NFTL) filings to identify any need to make a filing determination for periods where there is no NFTL (see IRM 5.12.2.3), identify whether the NFTL is filed in the proper location (see IRM 5.12.7.10) and identify any need to refile an NFTL when appropriate (see IRM 5.12.8).
- Reviewing compliance to identify whether the taxpayer is in current filing and estimated or federal tax deposit compliance.
- Reviewing IRPTRO information for possible income sources and assets.
- Determining if a TC 914 (Active Criminal Investigation) is present on any module. In some active cases, Criminal Investigation (CI) may request that no contact be made with the taxpayer or the taxpayer's representative. Also, a closed CI case (TC 912) or an open probation case indicator (non-field other investigation 182) may have an associated criminal restitution-based assessment requiring special handling. (See IRM 5.1.5, Balancing Civil and Criminal Cases, for procedures on handling cases with CI investigations and restitution-based assessments.)
- Determining if the case requires special handling. See IRM 5.1.12, Cases Requiring Special Handling.
- Deciding what issues to address during the initial investigative interview with the taxpayer. Revenue officers may refer to Form 10365, Investigation History - Initial Contact, to assist in preparing for the initial investigative interview.
- Developing a plan to schedule the initial investigative interview within the timely initial contact action time frame, see IRM 5.1.10.3 (3) and IRM 5.1.10.3.1, Timely Initial Contact Actions.

Attachment 1, Interim Guidance SBSE-05-1025-0062 (Cont'd)

IRM 5.1.10.3.2(4), Initial Investigative Interview

(4) During the initial investigative interview with a taxpayer.

- a. Request immediate full/part payment of all delinquent accounts (including accounts in notice status) and immediate filing of all delinquent returns. Explain the various forms of payment such as check, money order, electronic payment, credit card, and electronic federal tax payment system (EFTPS) for future federal tax deposits as well as balance due payments. See IRM 5.1.24.5.2, Initial Contact with a Client of a Third-Party Payer, when third-party payer actions may be the cause of delinquency.
- b. Secure verification of filing and payment, including copies of the EFTPS acknowledgement numbers or FTD receipts (prior to January 1, 2011) to confirm taxpayer is current with FTDs, when the taxpayer indicates that the tax was paid, the returns were filed, or both.
- c. Address any unresolved installment agreement requests (unreversed TC 971 AC 043) received prior to assignment, see IRM 5.14.1.3.1.
- d. Address any unprocessed Collection Due Process (CDP) or Equivalent Hearing (EH) requests that were submitted prior to assignment, see IRM 5.1.9.3.3.
- e. If the liability is incorrect, allow the taxpayer the opportunity to file an amended or corrected return, or determine whether an adjustment or payment tracer is necessary.
- f. Determine and document the taxpayer's compliance with current filing, payment, and deposit requirements, include type of depositor. The ICS Full Compliance Check screen must be used to document compliance, see IRM 5.1.10.8(2) for instances when use of the pick list is mandatory.
- g. Determine the reason for the delinquency and advise the taxpayer how to avoid future delinquencies. Use the ICS pick list submenu item Cause and Cure under Taxpayer Contact to document this information.

Reminder: Advise taxpayers that they remain responsible for the deposit and payment of employment taxes even though they may have entered into a third-party payer arrangement with a payroll service provider or professional employer organization

- h. Advise the taxpayer that until the case is resolved they are to file tax returns through you and provide proof of current electronic estimated tax payments (or make payments through you). In addition, if the taxpayer is in business, request EFTPS acknowledgement numbers to verify FTDs as they become due.

Note: Compliance verification Form 15015, Form 15016, and Form 14784 are available on the Publishing website to assist revenue officers with compliance monitoring verification.

Note: Consider securing payroll summary sheets from the taxpayer to verify the correct amount is being deposited.

Note: See Pub 15, Employer's Tax Guide for additional information on depositing taxes.

- i. Determine whether the taxpayer is a federal contractor. If the taxpayer is a federal contractor, obtain the name of the federal contracting agency and the contract number.

Exception: If you detect fraud indicators, see IRM 5.1.11.7.2, Referral to Criminal Investigation for how to proceed.

- j. **If the taxpayer has a passport indicator, inquire if they have and use the passport. Explain to the taxpayer that they are certified, and the Department of State can revoke the passport at any time. See IRM 5.19.25, Liability Collection, Passport Program, for additional information on passport certification.**

Attachment 1, Interim Guidance SBSE-05-1025-0062 (Cont'd)

IRM 5.16.1.2.1(6), Unable to Locate and Unable to Contact

(6) In addition to the requirements above, for accounts with an aggregate unpaid balance of assessments greater than # [REDACTED] #, the following is required:

- Local licensing authorities when a taxpayer has a business that requires a license or Accurint (if licensing records are available through Accurint in the state where the taxpayer is located).
- Request a passport check when the taxpayer travels outside the United States frequently or there is reason to believe the taxpayer travels outside the United States frequently in accordance with IRM 5.1.18.12, United States Passport Office.
- **If the taxpayer has a valid passport not expiring within 12 months, request passport revocation. Refer to IRM 5.19.25.11.2, for procedures to request a passport revocation.**
- Consider requesting that a taxpayer be placed on the Department of Homeland Security lookout list if you have been unable to locate or contact the taxpayer and if they live or travel outside the U.S. See IRM 5.1.18.13, TECS.
- Request Foreign Account Tax Compliance Act (FATCA) report when IDRS command code RTVUE indicates that a taxpayer has filed Form 8938, Statement of Specified Foreign Financial Assets. Refer to proposed to IRM 5.1.18.21, FATCA Research, for procedures to request Form 8966, FATCA Report.